DOCUMENT RESUME

ED 205 688 CE 029 590

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TITLE Incorporating Calculators into the Recordkeeping Curriculum. Recordkeeping I.
INSTITUTION Mount Vernon Public Schools, N.Y.
PUB DATE Aug 78
CONTRACT C-141569
NOTE 38p.: For related documents see CE 029 591-593.

EDRS PRICE MF01/PC02 Plus Postage.
DESCRIPTORS Audiovisual Aids: Behavioral Objectives: Business Skills: *Calculators: Competence: Competency Based Education: Course Content: Curriculum Guides: Flow Charts: *Learning Modules: *Office Occupations Education: *Recordkeeping: Secondary Education: Teaching Methods

ABSTRACT

This document is a guide to aid teachers in incorporating the use of calculators in the high school Recordkeeping I Curriculum. The guide contains 10 learning modules. Each module consists of an introductory explanation, student performance objectives, content of the module, and teaching suggestions for using calculators in each application of course content. The 10 modules cover the following topics: basic skills of recordkeeping: recordkeeping for cashiers: recordkeeping for checking account procedures: petty cash payments: personal records: retail sales: recordkeeping of purchases: wholesale sales: processing payroll records: and records used in a small retail business. Methods of evaluation and a time frame for using the materials are included, along with a list of visual aids and a bibliography. A description of the minimum competencies students should achieve by the end of the course also is contained in the guide. (KC)

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ED205688

# INCORPORATING CALCULATORS INTO THE RECORDKEEPING CURRICULUM

## RECORDKEEPING I

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SEP 29 1978
Division of Occupational
Education Supervision

VEA Project No. 78-3B-708
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August 1978

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## INTRODUCTION

The keeping of accurate and complete records is an ever-increasing, important part of modern life.

Students in Recordkeeping will be provided with the training needed to manage their personal finances and to work effectively in a career in office work.

A government survey*, "Where The Jobs Will Open up", projects sizable increases in employment opportunities in all office careers where a working knowledge of record keeping would be a definite asset.

Occupations mentioned in this survey show the latest employment estimate and the estimated change by 1985.

| | Latest Employment (1974 Estimate) | Estimated Change by 1985 |
|---|---|---|
| Bank Tellers | 337,000 | +112,000 |
| Billing Clerks | 146,000 | + 68,000 |
| Cashiers | 1,111,000 | +229,000 |
| Payroll Clerks | 192,000 | + 47,000 |

* U.S. News & World Report, December 27, 1976/January 3, 1977

RECORDKEEPING I

Level 5 Minimum Competencies

The following minimum competencies are expected of students:

1. Knowing the importance of keeping records in business; the job opportunities for recordkeepers; and the basic skills and desirable attitudes necessary for job success.
2. Knowing how to handle receipts of currency--recording, use of a cash register, proving cash, and preparing bank deposits.
3. Processing checks and bank statements--advantages of check payment; how to open, operate, and reconcile a checking account.
4. Processing petty cash payments--need, use of vouchers, use of petty cash book, and how to replenish the fund.
5. Learning retail sales of merchandising--sales slips, sales taxes, charge accounts, use of machines in preparing statements of account.
6. Comprehending purchases of merchandise--sales orders; invoices; recording sales; collections, returns in customers' accounts; use of journals.
7. Processing Payroll records--methods for determining employees' earnings; time card; overtime; F.I.C.A. tax; Federal Withholding tax; State, City, other deduction; payroll book; employees' earning record; and W-2 form.
8. Students should also know how to handle receipts and payments for retail businesses--Income statement; use of cash receipts journal, cash payments journal and the general ledger.

9. Students should be given homework assignments each day consisting of problems or jobs based on the day's lesson.
10. Students should be required to keep a notebook which lists all the key terms and vocabulary presented in class. Students will be periodica-ly tested on the spelling and meaning of all the words.
11. Students should be able to utilize the calculator in completing computations.

# RECORDKEEPING I

## MODULE I - BASIC SKILLS

Module I is concerned with the basic skills in recordkeeping that will be utilized by the student in the business world. The student will be introduced to the procedures of comparing names, numbers and addresses; arranging these in proper numerical and chronological order; improving penmanship and understanding the importance of clarity in handwriting; and finally, learning the use of the calculator.

It is desirable that the student understand the use of the calculator prior to going on to the remaining modules because calculators will be utilized throughout the course as a helpful tool in acquiring accuracy in mathematical computations.

## STUDENT PERFORMANCE OBJECTIVES

At the conclusion of this Module the student should be able to:

1. Demonstrate insight as to the basic concepts of recordkeeping.
2. Understand and apply the tools for maintaining accurate and orderly records, in either alphabetical, numerical or chronological order.
3. Understand the importance of and demonstrate good handwriting practices.
4. Demonstrate the basic functions of adding, subtracting, multiplying, and dividing with the calculator.

5. Complete the applicable problems and workbook pages assigned.

| Content | Teaching Suggestions |
|---|---|
| A. Introduction | Discuss the need for keeping accurate records. Introduce the importance of keeping records in personal life situations. |
| 1. Reason for maintaining accurate records | |
| a. Need in business | Make students aware that business cannot function unless records of past, present, and future activities are kept and in some instances mandated by law. |
| b. Meeting legal requirements | |
| c. Personal records | |
| B. Comparing names, numbers, and addresses | Demonstrate how names, numbers, and addresses can be similar, therefore accuracy in proper identification is important. |
| C. Numbers and Dates | Can also be similar as above-in order to have proper amounts and dates, accuracy is important. |
| D. Handwriting | Dramatize by writing a few words on the board, first legibly, then illegibly. |
| E. Filing business papers | Review the simple rules of filing, which will help in everyday affairs, and serve in business practices. Discuss that some of the filing will be manual and some will be automated. |
| F. The calculator | Emphasize the correct touch system. Position calculator at a slight angle at the right of the desk. |
| | Sit erect, relax, with feet flat on the floor. |
| | Place the first, second, and third fingers on the middle bank of keys - 4, 5, and 6. |

| Content | Teaching Suggestions |
| --- | --- |
| 1. Problems in addition, subtraction and multiplication for touch practice and development. | Move these fingers up to the top bank of keys-the keys for 7, 8, and 9. |
| 2. Mixed problems involving adding, subtraction, error correction for proficiency development on calculator. | Bring fingers back to the middle bank. Notice that the home keys 4, 5, and 6, are deeper than those of the upper bank. |
| | Reach down to the lower bank of keys-the keys for 1, 2, and 3. |
| | Put the thumb on the zero bar, the little finger on the plus bar, the first, second, and third fingers on the middle bank of keys. This is the home-key position from which all other keys are reached. |
| | Practice reaching up to 7 and down to 1 and 4. Fingers should be curved slightly; first finger should be guided to the center of the keys for 7, 4, and 1. |
| | With second finger, practice reaching up to 8 from home key, 5, and down to 2. |
| | Similarly, practice the third-finger reaches from home key, 6, to 9 and down to 3. Also reach down to the decimal key. |
| | Practice until figures 1 to 9 can be reached without looking at the fingers. |
| | Practice depressing the zero bar and the decimal key. |

Content

Teaching Suggestions

Strike the keys firmly in the center.

Strike only one key at a time; be sure to release quickly so that the next key can be depressed without waste of time.

If the wrong key is depressed and error is discovered before depressing the plus (+) bar, eliminate the number by:

FRIDEN LISTING: depressing the (Clear) key, located at the upper left of "9" key.

MARCHANT: depressing (Clear K) bar, located above the keyboard.

MONROE: depressing the clear display key (Cl), located to left of zero key.

SHARP: depressing the clear entry key (CE)

If the error has been entered, clear the calculator and begin the problem again.

On Display calculators, observe figures as entered to minimize chance of error.

Doublecheck for accuracy by running columns twice.

Provide students with many touch addition, subtraction and correction of error column problems to give proficiency in calculator manipulations and minimize the chance of error.

## MODULE II - RECORD KEEPING FOR CASHIERS

Module II is concerned with the preparation of cashier's recording of currency receipts. The student should develop an understanding of cash register operation via the use of proof of cash form and is expected to learn how to prepare and complete a bank deposit.

### STUDENT PERFORMANCE OBJECTIVES

At the conclusion of this Module the student should be able to:

1. Prepare receipts when cash is received and record the receipts systematically.
2. Prove that the amount of money in the cash register at the end of the day is correct by using a proof of cash form.
3. Understand how a cashier in a supermarket proves cash at the end of the day.
4. Prepare a deposit slip and deposit the money in the bank.
5. Complete the applicable problems and workbook pages assigned.
6. Accomplish all mathematical drills preceding the individual jobs with the use of the calculator.

| Content | Teaching Suggestions |
|---|---|
| A. Recording cash receipts and preparing a receipt | Refer to school activities involving the collection of money.<br>Record amounts in Record of Cashier's Collection.<br>Take totals and cross foot using the calculator to check computation. |

| Content | Teaching Suggestions |
| --- | --- |
| B. Use of cash register | Explain the importance of safe and systematic control of cash. |
| 1. Need for change fund | |
| 2. Need of register readings | The accommodation of being furnished with a printed receipt and provided with a record of cash received, and having sales classified by departments. |
| 3. Classifying receipts | |
| C. Proving cash receipts | Use register readings as a means of accounting for cash. Prepare proof of cash forms, using the calculator for completing the computations. |
| 1. Prepare proof | |
| D. Preparing Cashier's Daily Report | Daily reports obtained from local merchants will lend realism to work |
| E. Bank Deposits | When preparing the Cashier' Daily Report, the departmental sales report and the actual cash count form, use the calculator for computing the totals. |
| | Have students obtain coin, bill wrappers, and deposit slips from a local bank. Use worksheets for calculating the total amount of cash and checks and use the calculator to compute totals. Point out importance of making deposits daily. |
| | Complete a deposit slip. List bills and coins with cumulative totals and list checks separately. |

## MODULE III - RECORD KEEPING FOR CHECKING ACCOUNT PROCEDURES

Module III instructs the student in the writing of checks and the maintenance of a checking account. Included within this module will be: finding the checkbook balance, endorsement of checks, and reconciling the checkbook balance with the bank statement.

### STUDENT PERFORMANCE OBJECTIVES

At the conclusion of this module the student should be able to:

1. Open a checking account, including the completion of a signature card.
2. Understand the operation of a checking account.
3. Maintain a checkbook.
4. Reconcile the checkbook balance with the bank balance.
5. Complete the applicable problems and workbook pages assigned.
6. Accomplish all mathematical drills preceding the individual jobs with the use of the calculator.

| Content | Teaching Suggestions |
|---|---|
| A. Advantage of payment by check | An actual checkbook should be available for the students to see. |
| 1. Safety and convenience | Discuss the convenience of paying monthly bills by check. |
| 2. Record and proof of payment | |
| B. Opening a checking account | |
| 1. Difference between savings and commercial accounts | Enumerate the differences between a savings bank and a commercial bank. |

| Content | Teaching Suggestions |
|---|---|
| 2. Difference between regular checking and special checking accounts | Bank charges are determined by the type of account used.<br><br>One type of account may suffice for personal use and another for business. |
| C. Operating a checking account | Emphasize the importance of completing the check stub before writing the checks. |
| 1. Completing stub and check | Use the calculator to determine the accuracy of stub calculations. |
| 2. Using a check writing machine | Practice the various endorsements applicable to checks. |
| 3. Types of endorsements | Draw the student's attention to the commonly misspelled numbers in check writing, then showing them the correct spelling. |
| 4. Voiding checks | Emphasize that checks are to be listed separately on deposit slips. |
| 5. Stopping payment on checks | Discuss the differences of checks made payable to cash, bearer, etc. |
| 6. Certifying a check | Show how to find the new checkbook balance after each check is issued. |
| 7. Cashing a check | Use the calculator to arrive at and/or check computations. |
| 8. Finding the check book balance | Show the function of the clearing house. |
| 9. Check clearing process | An actual bank statement should be made available along with a few cancelled checks. |
| D. Reconciling the checkbook with the bank statement | These can be used for class discussion. |
| 1. Understanding the bank statement | |
| 2. Verifying the deposits | |

| Content | Teaching Suggestions |
| --- | --- |
| 3. Determining what checks are outstanding | Explain the method of determining outstanding checks by comparing cancelled checks with check stubs. |
| 4. Verifying bank charges | |
| 5. Prepare the reconciliation statement | Explain the procedure for deducting the bank service charge from the checkbook balance on the check stubs. Use the calculator for determining the balance. |

## MODULE IV - PETTY CASH PAYMENTS

Module IV is concerned with the student acquiring good business procedures for handling cash payments by learning how to write petty cash vouchers, learning how to classify business expenses, learning how to record cash vouchers, and learning how to replenish the petty cash fund when needed.

### STUDENT PERFORMANCE OBJECTIVES

At the conclusion of this Module the student should be able to:

1. Complete a petty cash voucher
2. Classify business expenses
3. Record petty cash vouchers
4. Replenish the petty cash fund
5. Complete the applicable problems and workbook pages assigned
6. Accomplish all mathematical drills preceding the individual jobs with the use of the calculator.

| Content | Teaching Suggestions |
|---|---|
| A. Need for Petty Cash Fund | Point out that it is a good business practice to deposit all monies received in the checking account. There is a need to have small amounts of currency on hand to pay for on-the-spot expenses. Currency should be kept in a metal box. |

| Content | Teaching Suggestions |
|---|---|
| B. Petty Cash Vouchers | Emphasize the need for proof of payment. Indicate the information needed on a voucher. Show an actual form. |
| 1. Purpose | |
| 2. Need | Develop rules in handling the fund. |
| 3. Form | |
| 4. Content | Show the proper method of completing the voucher. |
| 5. Preparation | Show how vouchers verify the balance in the fund. Use the calculator to make the computations. |
| C. Petty Cash Book | Show the need for uniformity of classifying expenses in a petty cash book. Loose records can be lost. |
| 1. Need for book | |
| 2. Classify payments | Show how distribution columns are of great necessity. |
| | Indicate that columns are headed according to a particular need. |
| | Accuracy needed when pencil footing, cross footing columns, and finding the balance of the fund. Use the calculator to check all computations. |
| D. Replenish Fund | Discuss guidelines set for replenishing the fund. Review the proper way of writing checks, specifically to "Petty Cash." |
| 1. When to replenish | |
| 2. Complete check | Lastly, discuss cashing a petty cash fund check. |
| 3. Over/Short | Discuss over and short possibilities. |

## MODULE V - KEEPING RECORDS FOR STUDENTS AND FAMILY

Module V is concerned with the keeping of personal records by the student regarding income and expenses for themselves and their family; budgeting procedures for student and family; recording receipts and payments.

### STUDENT PERFORMANCE OBJECTIVES

At the conclusion of this Module the student should be able to:

1. Understand the importance of keeping budget records
2. Prepare personal and family budgets
3. Maintain simple records of receipts and payments
4. Maintain various types of budget records
5. Complete the applicable problems and workbook pages assigned
6. Accomplish all mathematical drills preceding the individual jobs with the use of the calculator
7. Proofread all work for mathematical accuracy

| Content | Teaching Suggestions |
|---|---|
| A. Maintaining personal records of income and expenses<br>1. Importance of budgets<br>2. How budgets are prepared<br>3. How to keep records | Discuss with the students the importance of managing whatever money an individual has. Relate how this is done in business. As in business, an individual must anticipate what is received and what is spent.<br><br>With "careful advance planning" prepare a Record of Receipts and Payments. Make entries daily. |

| Content | Teaching Suggestions |
| --- | --- |
| | Discuss the various forms used for receipt and payments. Show difference in making entries to distribution columns. |
| | Pencil foot all the columns using the calculator to check totals. |
| B. Simplify records when possible | Discuss the point that sometimes simple records can be as good as lengthy and complicated records. |
| | Review section "A" using the same application. |
| C. Maintaining family records of income and expenses | Household records can be vital to good living for family. |
| | Column headings will differ somewhat but theory is the same. Interested in food, shelter, and clothing as column headings. |

## MODULE VI - RETAIL SALES

Module VI is concerned with the student learning to prepare the business papers utilized in retail sales: completion of sales slips and application of sales tax. Understanding the theory of debit and credit as applied to the posting of sales, cash received, and sales returns in the customer account must be developed. The posting of these entries will first be in the "T" account and then in the three column account. Finally, the student should be able to prepare a statement of account.

## STUDENT PERFORMANCE OBJECTIVES

At the conclusion of this Module the student should be able to:

1. Complete business papers used in retail business such as sales slips
2. Complete sales slips including sales taxes
3. Understand the meaning of a debit and a credit
4. Identify a sale, a receipt of payment, and a sales return
5. Post in a customer "T" account or in a three-column account
6. Prepare a statement of account
7. Complete the applicable problems and workbook pages assigned
8. Accomplish all mathematical drills preceding the individual jobs with the use of the calculator

| Content | Teaching Suggestions |
|---|---|
| A. Preparing sales slips | Emphasize importance of legibility, completeness, and accuracy. |
| 1. Form and content | Mention the use of charge cards. |
| 2. Extending and totaling | Stress the importance of computations. |
| | Use the calculator to arrive at totals. |
| | Mention various forms of sales slips. |
| B. Computing sales taxes | Discuss sales tax regulations. Mention that taxable and non-taxable items may appear on the same sales slip. |
| 1. Taxable and non-taxable items | |
| 2. Using tax tables | Illustrate the use of the tax tables, in conjunction with the calculator to arrive at the sales tax. |
| 3. Listing sales tax on sales slip | |
| C. Charge accounts | Discuss charge cards-- advantages and proper use. |
| | Illustrate from ads the various types of charge accounts. |
| | Make the various credit application forms available. |
| D. Recording sales in customer's account | Transparancies may be used to illustrate the "T" account form |
| 1. "T" account | Customer accounts are kept in either alphabetical or numerical order. |
| 2. Debit side | |
| 3. Finding balance due | Mention that the sales slip is a source document. |
| | Use the calculator to arrive at balance due. |
| E. Recording collections in customer's account | Checks received are source documents. |
| 1. Credit side | Illustrate pencil footing and finding the balance due. Use the calculator to arrive at totals. |
| 2. Finding balance due | |

| Content | Teaching Suggestions |
|---|---|
| F. Recording sales returns and allowance in customer's account | Explain the credit slip as a source document. |
| 1. Purpose - credit memorandum | Explain the nature of an allowance and its effect on the balance due. |
| 2. Credit side | |
| 3. Finding balance | |
| G. Statement of account | Discuss and stress the importance of legibility, completeness, and accuracy. |
| 1. Purpose and form | |
| 2. Statement of account with no previous balance | Illustrate the flow of information. |
| 3. Statement of account with a previous balance | |
| H. Recording transactions in a three-column customer account | Illustrate a three-column account and compare with a "T" account. |
| 1. Advantages | Show method of proving the final balance. Use the calculator to make and check the computation |
| 2. Recording methods | |
| 3. Preparing a statement of account | |
| I. Use of machines | Discuss the growth of business and the need for labor saving devices. |

## MODULE VII - RECORD KEEPING OF PURCHASERS

Module VII is concerned with developing the student's understanding of the business papers and records used by the purchasing department. The student must also be instructed in the procedures and forms used to maintain inventory and the procedures and forms used to maintain records of merchandise purchased.

## STUDENT PERFORMANCE OBJECTIVES

At the conclusion of this Module the student should be able to:

1. Understand the importance of keeping accurate stockroom records of merchandise received and issued
2. Understand how to enter the receipt and issuance of merchandise on a stockroom record
3. Post on stock record cards that have opening balance
4. Utilize stock record cards that have a number of different items
5. Understand the procedure in notifying the purchasing agent that stock is needed
6. Complete requests for merchandise, maintain simple records of different prices charged by suppliers, execute purchase orders, check purchase invoices, and find the due date for payment

7. Post purchases in the Purchase Journal
8. Complete the applicable problems and workbook pages assigned
9. Accomplish all mathematical drills preceding the individual jobs with the use of the calculator

| Content | Teaching Suggestions |
|---|---|
| A. Stock records | Explain the need for knowing amount of merchandise on hand. |
| 1. Purpose and advantage | Emphasize the need for legibility and accuracy. |
| 2. Form and content | Use the calculator to arrive at totals. |
| 3. Physical inventory | Discuss source of entries on the stock record cards. Explain maximum and minimum entries. |
| | Illustrate types of stock cards used. |
| B. Purchase requisition | Discuss need for notifying purchasing agent and criteria for determining quantity requisitioned. |
| | Illustrate actual requisition. |
| C. Purchase orders | Discuss the duties of a buyer or purchasing agent. |
| 1. Purpose and form | Emphasize the need for completeness and accuracy. |
| 2. Selecting the best source of supply by use of quotation records | Discuss the point that price may not be the deciding factor in the selection of a vendor. |
| 3. Use of purchase requisition as source document | |
| D. Purchase Invoice | Show illustrations of actual invoices. |
| 1. Purpose and form | Emphasize the need for checking with the purchase order and goods received. |

| Content | Teaching Suggestions |
|---|---|
| 2. Checked against purchase order and goods received | Review methods of checking accuracy of computations, use the calculator. |
| 3. Verification of quantities, extensions, and totals | Discuss the need for approval of invoices before recording. |
| 4. Approval of purchase invoices | |
| E. Purchase Journal | Illustrate the Purchase Journal by use of transparancies. |
| 1. Recording | Identify the approved invoices as source documents. |
| 2. Filing recorded invoices | Use the calculator to arrive at totals. |
| | Discuss methods of filing recorded invoices. |

## MODULE VIII - WHOLESALE SALES

Module VIII is concerned with the student developing an understanding of the business papers and records used in recording the sale of merchandise for a wholesale business. The student must learn how to prepare the business papers and records involved in the sale of merchandise for a wholesale business and also be aware of the use of automated data processing of sales information.

### STUDENT PERFORMANCE OBJECTIVES

At the conclusion of this Module the student should be able to:

1. Know how sales orders are used in business and how to prepare sales invoices for a wholesale business
2. Find the due date of a sales invoice
3. Keep records of amounts owed to a wholesale business
4. Keep records of merchandise returned by customers and post to the Sales Return and Allowance Journal
5. Record sales in a Sales Journal and then to the customer account
6. Record cash received from the customer in a Cash Receipts Journal and then to the customer account
7. Prepare a statement of account
8. Complete the applicable problems and workbook pages assigned
9. Accomplish all mathematical drills preceding the individual jobs with the use of the calculator

| Content | Teaching Suggestions |
| --- | --- |
| A. Preparing sales order | Explain that orders may be received by the wholesaler via mail or telephone. |
| 1. Recording essential information | Sales orders are prepared by the wholesaler to standardize orders. |
| | Stress importance of checking pricing. |
| | Use calculator to complete computations. |
| B. Preparing Sales Invoice | Illustrate that the sales invoice to the seller is really a purchase invoice to the buyer. |
| 1. Purpose | |
| 2. Listing clearly items to be sold | Show the information found on a sales invoice with that found on a sales slip in a retail sale. |
| 3. Determine unit price | |
| 4. Extend prices | Provide ample time to use the calculator to extend unit prices and to total invoices. |
| 5. Total the sale | |
| 6. Compute sales tax | |
| 7. Determine due date | |
| C. Journalize the sale | Use the sales invoice as source document. Contrast this procedure with earlier practice of recording sales directly from a sales slip in a customer' ledger account. |
| 1. Record information in the Sales Journal | |
| 2. Summarize the Sales Journal | Utilize a calculator for totaling the sales invoices. |
| D. Post from the Sales Journal to the accounts receivable ledger | Many of the procedures used have been covered in earlier work. |
| 1. Record date, post reference and amounts | Explain why posting references are used. Stress the importance of posting references. |
| 2. Check post reference columns in sales journal | |

| Content | Teaching Suggestions |
|---|---|
| E. Collections received from customers | Enter date, customer's name, explanation, and amount. |
| 1. Record the receipt in the Cash Receipt Journal | Review process of examining checks received for completeness and endorsements. |
| 2. Post from Cash Receipt Journal to customer account | Review posting process to customer's account. |
| 3. Summarize Cash Receipt Journal | Explain ruling procedures.<br><br>Use calculator to compute columns. |
| F. Sales returns and allowance | Reason for credit memorandum: damaged merchandise, customer allowance, merchandise returned, and over charges. |
| 1. Prepare credit memorandum | |
| 2. Record the credit memorandums in a Sales Return and Allowance Journal | Give opportunity to use the "T" account and the three-column account, ledger forms. |
| 3. Post from the Sales Return and Allowance Journal to the customer account | |
| G. Summarize the Accounts Receivable Ledger | Show contrast between the "T" account form process, as compared to the three-column account form process.<br><br>Use the calculator for all computations. |
| H. Statement of Account | Examine the source of the information used in preparing a statement. |
| 1. List each sale | |
| 2. Determine balance due | |

## MODULE IX - PROCESSING PAYROLL RECORDS

Module IX is concerned with the student's understanding of how to compute gross and net wages, of the various methods of payment, and why payroll records are kept. The student must also develop skill in recording information and be aware of the utilization of mechanical aids and equipment in the preparation of a payroll and payroll records.

## STUDENT PERFORMANCE OBJECTIVES

At the conclusion of this Module the student should be able to:

1. Understand the information on the time cards
2. Find the exact number of hours for each worker
3. Compute the wages due an employee at the end of a week
4. Record time card information on a payroll book
5. Find the total wages of workers paid on an hourly basis
6. Determine the wages due an employee, using a wage computation book
7. Compute overtime
8. Compute deductions for social security, withholding taxes, and other deductions
9. Determine a worker's take-home pay after deductions

10. Compute a payroll
11. Prepare a currency breakup and a currency memorandum
12. Understand why a withholding tax form (W-2) is prepared and how it is prepared
13. Complete the applicable problems and workbook pages assigned
14. Accomplish all mathematical drills preceding the individual jobs with the use of the calculator

| Content | Teaching Suggestions |
|---|---|
| A. Methods of determining employee's earnings | Elicit methods of calculating wages, use student's own experience. |
| 1. Straight salary | |
| 2. Hourly | Review fractions and decimal equivalents, use calculator for computations. |
| a. Time card | |
| b. Total hours or regular rate | |
| c. Hours at overtime rate/bonus rate | |
| d. Computing total wages earned | |
| B. Time card | Display and possibly distribute actual time cards. |
| 1. Calculation | |
| a. Daily | Work on situations that show when the employee works only part of the week or part of the day. |
| b. Weekly | Show what occurs when the employee is tardy, or leaves before time. |

| Content | Teaching Suggestions |
| --- | --- |
| | Show what occurs when an employee arrives before he should or leaves after he should. Time should be spent with the student in this area. |
| | Discuss various company practices with regard to "docking". |
| | Exercises start with the "whole" hour, then go to the fractional parts. It may be helpful to convert mixed numbers to decimal equivalents. |
| C. Overtime | Discuss union or trade practices as opposed to federal regulations. |
| | Treatment of overtime: calculate the amount of overtime bonus hours by the method of keeping the hourly rate constant and multiplying half of the hours in excess of 40 hours by the hourly rate. |
| | Advisable to use whole numbers, then concentrate on fractional parts. |
| D. F.I.C.A. (Social Security) Tax | Draw from student's own experiences in securing social security cards. |
| 1. Benefits | Discuss benefits in general. |
| 2. Computation, using tax rate and using tax table | Secure governmental publications from Social Security Office. |
| 3. Net pay | Discuss the headings, "at least but less than." |
| | Have students calculate tax with the use of the tax table and the calculator. |

| Content | Teaching Suggestions |
|---|---|
| E. Federal Withholding tax | Explain purpose of making systematic and periodic deductions. |
| 1. Use tax tables | |
| 2. Net Pay | Draw from student's own experiences. |
| | Discuss the meaning of "exemption". |
| | Contrast the Social Security tax tables with the Withholding Tax tables. |
| | Discuss the headings, "at least but less than." |
| F. State and City withholding tax | Utilize the student's knowledge of federal withholding tax. |
| 1. Purpose of State tax | |
| 2. Purpose of City tax | Emphasize the importance of arithmatic accuracy in arriving at net pay. |
| | Use calculator to assure accuracy. |
| G. Other deductions | Explain and illustrate the importance of being covered for medical situations. |
| 1. Hospitalization | |
| 2. Union dues | Stress the importance of planned savings. |
| 3. U.S. bonds | |
| H. Payroll book | Show need for summarizing payroll information. |
| 1. Form and content | |
| 2. Mechanical aids | Stress the checking of totals, use the calculator to check accuracy. |
| I. Paying Employees | Mention the use of bookkeeping machines. Mention the use of computers. |
| 1. Checks | |
| 2. Cash | Draw from student's own method of receiving payment. |
| 3. Currency breakup | |
| 4. Currency memorandum | Discuss advantages and disadvantages to employer and employee of payment by check or cash. |

| Content | Teaching Suggestions |
| --- | --- |
| | Display voucher checks. |
| | Discuss the use of a check written. |
| J. Record of employee's earnings | Explain the importance of the employee's earning record and why it must be kept. |
| 1. Form and credit | Develop an understanding of the need for summarizing so that information can be readily available to taxing agencies. |
| | Discuss and illustrate the use of the peg board in the one-write system. |
| K. W-2 form | Acquire copies of W-2 forms for class use. |
| 1. Purpose | Discuss the need of the various copies. |
| 2. W-2 form in relation to the 1040 form. | Emphasize the importance of knowing what each figure is. |
| 3. Income tax due versus income tax withheld | |

## MODULE X - SMALL RETAIL BUSINESS

Module X is concerned with the student developing an understanding of the records and documents used in a small retail business. The student will be exposed to the income statement, to recording cash receipts and cash payments for a retail business, and finally to posting to the general ledger.

## STUDENT PERFORMANCE OBJECTIVES

At the conclusion of this Module the student should be able to:

1. Prepare an income statement for a retail business
2. Make entries in the cash receipts and cash payment journals for a retail business
3. Maintain and reconcile a checkbook for a small retail business
4. Utilize the journals in conjunction with the general ledger
5. Complete the applicable problems and workbook pages assigned
6. Accomplish all the mathematical drills preceding the individual jobs with the use of the calculator

| Content | Teaching Suggestions |
|---|---|
| A. Income Statement | Show difference in the earnings of a self-employed person with that of an employee. |
| 1. Purpose | |
| 2. Form | Discuss the need of arriving at the profit or loss. |
| 3. Self-employment tax | |
| 4. Estimated income tax | Explain the fact that the income statement shows the accumulated totals of the income and expenses for a stated period. |
| | Discuss the fact that the net profit or loss is of extreme importance to a business person, as well as governmental agencies |
| | Show the comparison of the social security tax of an employee with that of the self-employed. |
| B. Recording cash income in a Cash Receipts Journal | Refer to the income statement to establish the need for maintaining a record of cash income. |
| 1. Purpose | |
| 2. Form | Point out the need for setting up individual columns for each source of income. |
| 3. Subdividing columns | |
| | Show the relationship between the cash received and the bank deposit columns. |
| | Show relationship between the cash received and the total of all income columns. |
| | Use the calculator to arrive at and check totals. |
| C. Recording expenses in a Cash Payment Journal | Refer to the income statement to establish the need for maintaining a record of cash payments. |
| 1. Purpose | |
| 2. Form | Mention the use of the check stubs as a source document. |
| 3. Multi-column expenses section | Elicit the need for distribution columns. |

| Content | Teaching Suggestions |
| --- | --- |
| | Discuss the use of the individual expense column as opposed to the "other item" column. |
| | Stress cross footing, and use the calculator to arrive at and check totals. |
| D. General Ledger | Examine the need for setting up accounts to consolidate information recorded in journals. |
| 1. Purpose | |
| 2. Posting from the Cash Receipts Journal | Emphasize the equality between the debit to the cash account and the credits to the various income accounts. |
| a. Cash account | |
| b. Income and service account | Emphasize the equality between the debits to the various expense accounts and the credit to the cash account. |
| c. Using check (✓) marks in the post reference | Discuss steps in summarizing journal. |
| d. Using post reference numbers | Emphasize the verification procedures. |
| e. Using check (✓) marks in Bank Deposit column | Use the calculator whenever mathematical functions are needed. |
| 3. Posting from the Cash Payments Journal | |

## METHODS OF EVALUATION AND TIME FRAME

Record Keeping students should be tested and evaluated regularly with short quizzes. At the end of the Module, a more comprehensive test should be given as indicated below:

| | | Weeks |
|---|---|---|
| Module I & II | Unit test covering basic skills, and the cashier's recording of currency receipts | 1-2 |
| Module III | Unit test covering the processing of checks and Bank Statements | 3-5 |
| Module IV & V | Unit test covering the petty cash procedures, and the maintaining of a budget record. | 6-10 |
| Module VI | Unit test covering the retail sales of merchandise incorporating the "T" account, the "three" column account and the statement of account | 11-16 |
| Module VII | Unit test covering the purchase of merchandise, incorporating stock record cards. | 17-20 |
| | Mid Term Examination | |
| Module VIII | Unit test covering the wholesale sale of merchandise | 21-26 |
| Module IX | Unit test covering the processing of the payroll records, including the currency breakup and the currency memorandum | 27-33 |
| Module X | Unit test covering the processing of receipts and payments for retail businesses, including the cash receipts journal and the cash payments journal | 34-38 |
| Review Modules VIII, IX & X | | 38-40 |
| | Final Examination | |

## VISUAL AIDS

Visual aids are essential to a multi-sensory approach in teaching recordkeeping. Some of which are:

1. Transparencies of the various forms used
2. Actual business forms and documents
3. Filmstrips and motion pictures
4. Overhead projector
5. Federal income tax kit provided by the Internal Revenue Service
6. Office machine manual on electronic calculators
7. Instructional manuals accompanying the various makes of electronic calculators
8. Workbooks made available from the various book publishers

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